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# H.R. 1734 and S. 1503 Civilian Property Realignment Act

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Maintenance Workshop  
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# Agenda

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- Quotes
- What's Already In Place
- What's New
- Transforming management of Federal real estate
- H.R. 1734 Civilian Property Realignment Act





# Quotes

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- “We can’t win the future with a government of the past” President Obama, State of the Union Address
- “To follow the President's leadership and bring our government into the 21st century, we are taking bold steps to transform the way we manage Federal real estate.” Jacob J. Lew, Director Executive Office of the President
- “...the President proposes to empower an independent Board to break through longstanding bureaucratic, financial, and political barriers in a manner that:
  - Converts a broader and more significant pool of real estate inefficiencies into reductions in the Federal deficit;
  - Positions the government to align its real estate inventory to the 21st century realities of how we operate and deliver services; and
  - Enables longer-term and sustainable improvements in real estate related operating costs and energy efficiencies.” Testimony of Daniel I. Werfel Controller, Office of Management and Budget



# What's Already In Place

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- Executive Order 13514, established an integrated strategy toward sustainability in the Federal government
- Presidential Memorandum - “*Disposing of Unneeded Federal Real Estate*”, June 10, 2010
  - Save \$3B in real property by the end of FY 2012 (excludes Department of Defense )
  - Also encourages:
    - Decrease energy & water consumption
    - Reduction of greenhouse gas emissions
  - Focus areas to achieve results:
    - Disposition of real property
    - Consolidation of activities
    - Space use optimization
    - Lease termination
- Telework Enhancement Act of 2010



# What's New

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- Transforming Mgt of Federal Real Estate
  - FY 2012 Budget, the President introduced a transformative proposal to significantly reduce and realign our Federal civilian real property inventory
  - OFFICE OF MANAGEMENT AND BUDGET Memo dated May 4, 2011 Subject Realignment of Federal Real Estate
  - H. R. 1734 Civilian Property Realignment Act or “CPRA”.
    - “Civilian BRAC”



# President's FY 2012 Budget/OMB Memo

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- Established a Real Property Advisory Committee
  - Purpose
    - Improve management of Federal real property
    - Identify short and long term opportunities to realign and consolidate real property
  - Committee - three SRPO and four Chief Financial Officers
  - In operation until the end of FY 2015



# H.R. 1734

## Civilian Property Realignment Act

- Introduced by Congressman Denham on May 4, 2011
- Purpose
  - Consolidate the footprint of Federal buildings and facilities
  - Maximize the utilization rate of Federal buildings and facilities
  - Reduce the reliance on costly leased space
  - Sell or redevelop high value assets that are underutilized
  - Reduce the operating and maintenance costs of Federal civilian real properties
  - Reduce redundancy, overlap, and costs associated with field offices
  - Create incentives for federal agencies to achieve greater efficiency in their inventories of civilian real property by enabling agencies to retain and reinvest savings and sale proceeds
  - Facilitate and expedite the sale or disposal of unneeded properties
  - Assist federal agencies in achieving the Government's sustainability goals by reducing excess



# H.R. 1734

## Civilian Property Realignment Act

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- Establishes
  - Independent commission to be known as the Civilian Property Realignment Commission (CPRC)
- Membership
  - Nine members appointed by the President, with the advice and consent of the Senate
  - The Commission shall cease operations six years from the date of enactment of this Act



# H.R. 1734

## Civilian Property Realignment Act

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- Within 120 days of enactment and 120 days following the beginning of each fiscal year
  - Federal agencies submit real property data to OMB and GSA (FRPP)
  - Agencies recommendations include:
    - Properties that can be sold, disposed of, transferred, exchanged, consolidated, co-located, reconfigured, or redeveloped, to reduce operating and maintenance costs



# H.R. 1734

## Civilian Property Realignment Act

- Within 60 days of Agencies submission OMB and GSA shall
  - Review agency recommendations
  - Develop recommendations incorporating the following principles
    - Mission need of agency
    - Opportunities to consolidate across multiple agencies
    - The economic impact on existing communities
    - Utilization rate is maximized and consistent with industry standards
    - Reduce long-term leasing
    - Reduce operating and maintenance costs through consolidating, co-locating, and reconfiguring space
    - Reduce energy consumption



# H.R. 1734

## Civilian Property Realignment Act

- 120 days after OMB and GSA's recommendations and biennially thereafter:
  - The CPRC makes recommendations to the President
- Within 30 days of CPRC submission
  - President sends his recommendations to Congress with his approval or disapproval of each recommendation
- If President does not submit his recommendations to Congress within 30 days the process terminates until the following year.



# H.R. 1734 In Summary

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- CPRA:
  - Realigns Federal civilian real property
  - Streamlines the disposition and realignment process
  - Modeled after the DoD Base Realignment and Closure initiative (BRAC)
    - Except: focus is on specific facilities not Site Closure
  - Establishes "Civilian Property Realignment Board"
    - Membership:
      - Nine members appointed by the President, with consent of the Senate
      - Commission recommends property closure based on:
        - » Ability of asset to support Agency mission
        - » Potential for consolidation
        - » Impact on community
        - » Utilization
        - » Cost to operate



# Senate Version S. 1503

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- Pretty much the same as H. R. 1734
- Major differences:
  - Senate version would have a commission of 6 instead of 9
  - Senate version would require agencies to fully dispose of excess real property within three years of the agency declaring it excess. House version does not address this



# Questions?

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